

MCDONNELL DOUGLAS

McDonnell Douglas Realty Company

WORK AUTHORIZATION

Date: May 20, 1997

Authorized to:

Mr. Steve Kilian
KILIAN FIRE SPRINKLER CORPORATION
300 South Walnut Street
P.O. Box 924
La Habra, California 90631

Project: Torrance Tank and Pump Relocation

Contract No.: Contract #97-028TO

This document constitutes your formal authorization to perform the following work at the noted project:

Disconnect and relocate existing fire pump No. 1 and one existing 270,000 gallon tank to a new location in "box city" storage area, leaving fire pump No. 2 and tank No. 2 in service, per verbal approval of Industrial Risk Insurers, per your proposal dated May 20, 1997.

Contract Price: \$206,600.00

Completion Schedule: June 10, 1997

Your accepted proposal attached: YES X NO

Any revisions to this work scope will be issued by a work authorization amendment, or a JOB WORK ORDER issued at the job site by McDonnell Douglas Realty. Any work performed without such documentation is not formally authorized.

All work is to be under the direction of and coordinated with Johnny Marasco at (562) 627-3078.

The following Exhibits are attached and are incorporated as part of this Work Authorization:

NOTE: These exhibits also apply to any subcontractor(s).

Exhibit C: (C1 thru C5) Lien release forms and Lien Waivers & Pay Procedure
Exhibit F: CONDITIONS FOR CONTRACTORS WHO WORK FOR MCDONNELL DOUGLAS REALTY COMPANY (MDRC)
Exhibit G: MDRC GENERAL CONDITIONS OF CONTRACT
Exhibit H: INSURANCE ENDORSEMENT

Prior to commencing any work on site, please provide a current certificate of insurance verifying your coverage for General Liability, Automobile Liability, and Worker's Compensation.

Kilian Fires Sprinkler Corporation
Work Authorization #97-028TO
Page Two of Two

A current copy of the contractor work rules (Exhibit F) for McDonnell Douglas is attached entitled "CONDITIONS FOR CONTRACTORS WHO WORK FOR McDONNELL DOUGLAS REALTY COMPANY (MDRC)". Your signature acceptance of this work authorization constitutes your acceptance of these work rules.

Please provide a copy of your contractor's license plastic card showing your contractor's license number.

When invoicing for this work, PLEASE REFER TO THE CONTRACT NUMBER AND PROJECT NAME NOTED ABOVE, and submit invoices to the attention of Sophie Han at our Long Beach address.

Please sign your acceptance of this contract agreement at the location provided below and deliver the original to us for our file prior to commencement of work. Please mail to the undersigned at Long Beach.

McDonnell Douglas Realty Co.
Authorization:



Mario Stavale

Contractor acceptance in accordance
with the above noted conditions:



Kilian Fire Sprinkler Corporation

Enclosures

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(562) 694-2107
(562) 697-5120
(714) 871-8283
FAX (562) 697-8670

KILIAN FIRE SPRINKLER CORPORATION

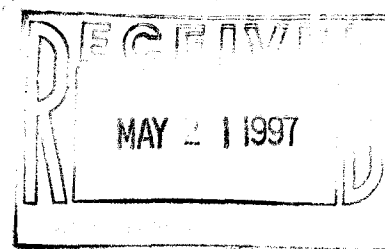
300 SOUTH WALNUT STREET • P.O. BOX 924 • LA HABRA, CALIFORNIA 90631

May 20, 1997

McDonnell Douglas Realty Company
4060 Lakewood Blvd. 6th Floor
Long Beach, CA. 90808-1700

Attention: Mr. Johnny Marasco

Regarding: Torrance Facility



Gentlemen,

We are pleased to provide the following prices to perform work as outlined below for the above referenced facility:

Scope of work: Kilian Fire Sprinkler Corporation to disconnect and relocate existing fire pump No. 1 and one existing 270,000 gallon tank to a new location in "box city" storage area, leaving fire pump No. 2 and tank No. 2 in service, per verbal approval of Industrial Risk Insurers. Other major items are as follows:

1. Existing water storage tank to be drained, relocated and set on a new foundation. Tank to be moved in one piece if conditions allow or torch cut and moved in sections. Please see attached Palmer Tank and Construction quotation dated 5-19-97 for all conditions.
 - a. Provide bracing and lifting hooks as required for moving.
 - b. Pressure wash the bottom of the tank to remove sand, sludge and rust. This waste to be flushed out onto the ground and be disposed of by owner. Waste is assumed to be non hazardous.
 - c. Remove asphalt around new tank base. Install a new concrete ring foundation.
 - d. Install welded pads and provide anchor chairs, anchor bolts and nuts as required.
 - e. Provide engineered shop drawings with structural and seismic calculations.
2. Existing 2000 G.P.M. diesel driven fire pump No. 1 to be removed from system, relocated and set on new concrete foundation pad, outside. Relocate and re-use as is:
 - a. Existing pump control panel.
 - b. One existing diesel fuel tank (to be set in new containment basin).
 - c. One jockey pump.
 - d. One set of batteries.
 - e. Relief valve.
 - f. All related accessories.

3. Relocated fire pump to be connected into the existing 8" looped yard main adjacent to the existing 8" sectional control valve in vault, located in "box city" storage area.
4. Provide a new manual tank fill line fed from existing 8" fire loop for the relocated tank.
5. Provide a new pump test header complete with valves. Test header to discharge on grade.
6. Provide a small free standing metal canopy over the fire pump and jockey control panels.
7. Provide a metal rain guard over the diesel air filter and jockey pump motor.
8. Plan check and permit fees (allowance of \$2,400.00).
9. Engineered shop drawings to be submitted to City of Los Angeles and Industrial Risk Insurers.
10. Fabrication, freight and taxes.
11. Testing of new piping and relocated equipment.
12. Supervision of manpower for duration of project.
13. Includes electrical disconnection and rewiring per our April 29, 1997 letter of quotation.
14. Furnish and install approximately 1,010 feet of 8" schedule 10 black steel piping on the roof of building No. 1 per the attached sketch. This piping will complete the north loop and connect the to the base of risers 5 and 6.
 - a. Pipe to lay on 4" X 4" wood blocks spaced at 10'-0" on center. Secure pipe to blocking with wrought strap and lag bolts. Blocks to be set in mastic on existing gravel roof. No penetration of roof membrane has been figured.
 - b. All new piping to be joined with clamp-on style grooved couplings and fittings.
 - c. Provide two new butterfly control valves (equipped with tamper switches) for riser No. 5 and 6.
 - e. Submit engineered drawings to Industrial Risk Insurers and Factory Mutual.

Our pricing is as follows:

Item No. 1 Relocate water tank in one piece and provide new foundation	\$53,204.00
Items No. 2 through 12 above	90,064.00
Item No. 13 Electrical work per quotation dated 4-29-97	16,500.00
Item No. 14 Run new 8" bulkmain on roof of bldg. No. 1	46,832.00
Total	\$206,600.00

Add alternate No. 1: If tank bottom is disbonding or needs repair please add \$3,020.00 to hot tar bottom of tank to our base bid.

Add alternate No. 2: If tank has to be cut into pieces to move please add \$8,432.00 to our base bid.

Terms: Item No. 1 - Payment terms are 25% on receipt of P.O., 25% upon start of job with balance billed progressively. Final payment is due net 20 days of job completion.

Terms: Items No. 2 through 14 - Progress billings, net 30 days upon completion.

Please find below our general clarifications:

1. Price quoted for relocation of the existing tank is based on the tank being in suitable condition for moving in one piece to the proposed new location. Tank condition to be verified prior to moving.
2. Prices quoted are also based on the assumption that the jockey, main fire pump, control valves and accessories are in good working order.
3. Fire pump No. 2 and tank No. 2 will be left as is, in service, during and after the relocation of fire pump No.1 and tank No. 1.
4. Kilian Fire Sprinkler Corporations current insurance (certificates have been issued).
5. All labor has been figured for regular days and normal working hours.

We have excluded the following items:

1. Any painting.
2. Central station monitoring or any supervision (Honeywell).
3. Dike around relocated tank.
4. The demolition of any existing foundations, buildings and other equipment at the existing pump house.

Exclusions Continued:

5. Hauling and disposal of any AC paving, concrete or dirt, etc. from the site.
6. Replacement or patching of AC paving.
7. Any seismic, structural or load calculations (except for tank as noted above).
8. Any civil or architectural engineering (if required).
9. Any unforeseen underground obstructions. Please see attached.
10. Seismic bracing or thru bolting of 8" bulkmain on roof of building No. 1.

If you have any questions regarding this proposal, please feel free to call me.

Sincerely,


Stephen C. Kilian
Kilian Fire Sprinkler Corporation

MDRCtor1.bid



(562) 694-2107
(562) 697-5120
(714) 871-8283
FAX (562) 697-8670

KILIAN FIRE SPRINKLER CORPORATION

300 SOUTH WALNUT STREET • P.O. BOX 924 • LA HABRA, CALIFORNIA 90631

McDonnell Douglas Realty Company
4060 Lakewood Blvd., 6th Floor
Long Beach CA 90808-1700

May 19, 1997

Via Fax (310) 627-3109

Attention: Mr. Johnny Marasco

REGARDING: TORRANCE FACILITY - TANK RELOCATION

Gentlemen:

Attached herewith is the breakdown of costs to relocate the tank in both one piece or in two pieces per your request.

1. If the tank can be relocated in one piece, the price is as follows:

Palmer	\$50,670.00
Kilian's Mark-up	<u>2,534.00</u>
Total	<u>\$53,204.00</u>

2. If the tank has to be cut into pieces, add to the above:

Palmer	\$ 8,030.00
Kilian's Mark-up	<u>402.00</u>
	8,432.00
Base price to move tank	<u>53,204.00</u>
Grand Total	<u>\$61,636.00</u>

These prices are to be inserted into Item No. 1 (Relocate Water Tank) of our Letter of Quotation dated May 6, 1997.

Sincerely,

KILIAN FIRE SPRINKLER CORPORATION


Stephen C. Kilian
President

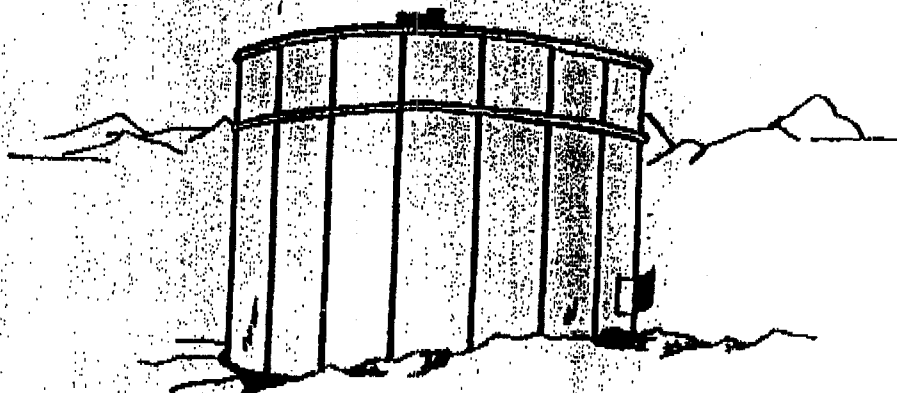
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PTCI:**PALMER TANK & CONSTRUCTION, INC.**2464 SOUTH UNION AVENUE
TELEPHONE NO. (805) 834-1110
LIC. #328388-"A"BAKERSFIELD, CA 93307
FAX NO. (805) 834-4322

FACSIMILE MESSAGE

DATE: May 19, 1997
TO: Steve Kilian
COMPANY NAME: Kilian Fire Sprinkler Corporation
FACSIMILE NO: (310) 697-8670
FROM: Mr. Jerry Palmer
COMPANY NAME: PALMER TANK & CONSTRUCTION, INC.
PAGES SENT: 3 INCLUDING COVER SHEET



SUBJECT:

Here is the information you requested.

PTCI • PALMER TANK & CONSTRUCTION, INC.

2464 SOUTH UNION AVENUE
TELEPHONE NO. (805) 834-1110
LIC. #328388-"A"

BAKERSFIELD, CA 93307
FAX NO. (805) 834-4322

To Killion Fire,

We Palmer Tank bid the following, to Jack Hammer out asphalt around base of tank approx. 18" deep and 12-14" wide and 110' to 120' around diameter of tank. Material removed will be stacked on job site. Price includes labor, air compressor, jack hammer, air spade, truck, hand tools and supervision. Side of tank to be cleaned off and inspected.

\$5040.00

Price to pressure wash tank top, sides and bottom. Bottom contains approx. 6-12" settlement which will be pumped out and shoveled out. Bottom then will be pressure washed and inspected. All material from inside of tank will be left on job site. Price includes labor, supervision high pressure washer, hand tools, gauge checker, coating mill check, usual inspection for moving.

\$4674.00

If bottom, and bottom 2' appears and checks out to be strong enough to support all parts of the tank, the tank will be moved in one piece. Tank bottom, sides, and deck will be braced. We will weld lifting shop fabricate and install in the field tank lifting pads and tank lifting eyes on tank. Price includes material, labor, truck, crane and man lift, supervision, bottom supports, side bracing, misc. supports, deck bracing, lifting eyes and pads to move tank.

\$6500.00

Price to remove exterior piping from the sides and roof of tank. All piping left will be braced necessary for moving. Price includes labor, crane, truck, hand tools, material and supervision.

\$2744.00

If the tank is not structurally sound to be moved after inspection, the tank will be cut in half, braced and moved in two sections by using extra bracing. Tank will be reassembled and welded back together. Same procedure will be used as listed above for tank bracing.

add \$8030.00

PTCI: PALMER TANK & CONSTRUCTION, INC.

2464 SOUTH UNION AVENUE
TELEPHONE NO. (805) 834-1110
LIC. #328388-"A"

BAKERSFIELD, CA 93307
FAX NO. (805) 834-4322

Price for crane, trailer, supervision and necessary help to lift and transport tank to new location. Price includes offloading tank at new location.

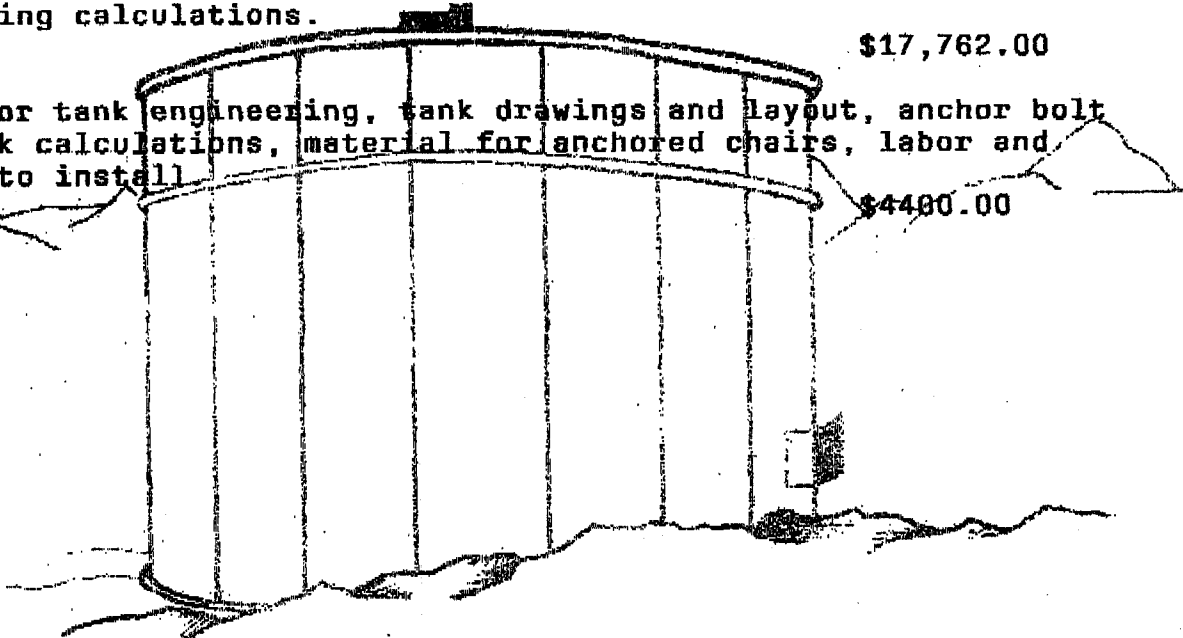
\$9550.00

Price to dig foundation compact as necessary, install rebar, set forms, set anchor bolts and pour concrete. Price includes foundation engineering, foundation drawings, concrete, rock in center of foundation, and engineering calculations.

\$17,762.00

Price for tank engineering, tank drawings and layout, anchor bolt details, tank calculations, material for anchored chairs, labor and supervision to install

\$4400.00





(562) 694-2107
(562) 697-5120
(714) 871-8283
FAX (562) 697-8670

KILIAN FIRE SPRINKLER CORPORATION

300 SOUTH WALNUT STREET • P.O. BOX 924 • LA HABRA, CALIFORNIA 90631

April 29, 1997

McDonnell Douglas Realty Company
4060 Lakewood Blvd., 6th Floor
Long Beach, Calif. 90808-1700

Attention: Mr. Johnny Marasco

Regarding: Fire pump and tank relocation - Torrance Facility
Electrical work

Gentlemen:

We are pleased to quote the following price to perform work as outlined below for the above referenced project.

Item No.1

Disconnect existing electrical wiring serving Fire pump No.1 and related equipment and re-connect at new location in "box city" storage area per attached quote from James Electric.

For the sum of \$13,800.00

Item No.2

New Jockey pump control panel as required (per Jim Hermans).

For the sum of \$1,200.00

Sub - Total	\$15,000.00
Plus 10% mark - up	\$1,500.00
Total	\$16,500.00

Sincerely,

Stephen C. Kilian
Kilian Fire Sprinkler Corporation

dacele.bid

JAMES ELECTRIC, INC.

8567 Holly Way, Buena Park, CA 90620 • (714) 229-9911 FAX (714) 229-0182
License Number 641981

QUOTATION/PROPOSAL**April 28, 1997**

Mr. Joseph W. Kilian
Kilian Fire Sprinkler Corporation
300 South Walnut Street
La Habra, CA 90631

Job (Site):
McDonnell Douglas - Torrance Facility
1414 West 190th Street
Los Angeles, CA

Scope of Work:

1. 10 KVA Transformers.
2. 3 Phase 65 amp Sub-Panel.
3. Weather Proof Junction Boxes for Jockey Motor Controls.
4. Rewire Back-up Generator and Pumps to Controller.
5. Connect Controller to Honeywell System with Conduit.
Hook-up controller side, Honeywell to do their own.
6. Wire lights and switches in new Equipment Room.
7. Rewire Jockey Motor to Controllers and 480 volt, 3 phase Power.
8. Rewired Back-up Generator to 480 volt, 3 phase.
9. Rewired Battery Back-up Charger, 480 volt, 3 phase.
10. Run all conduit for Honeywell connections.

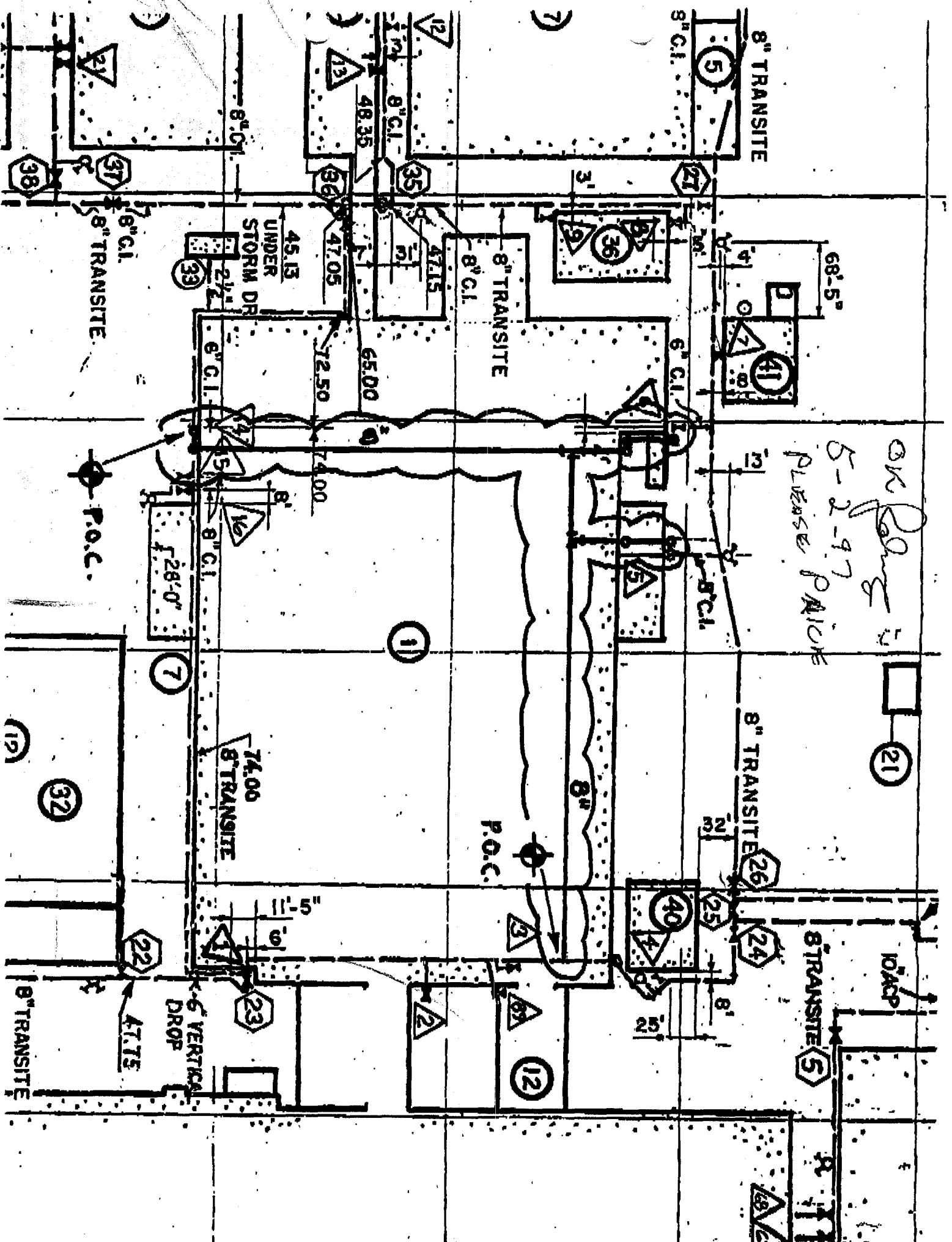
Total Material and Labor \$13,800.00

NOTE: Quotation good for 30 days. Proposal includes all conduit, wire, material and labor to complete all work specified on this proposal.

Thank you,

JIM HERMANS

FAX (310) 697-8670



OK Plans
 5-2-97
 Please Print



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UNFORESEEN UNDERGROUND OBSTRUCTIONS

If for any reason it becomes necessary to install underground piping at a depth greater than 4'-0" or if water , quicksand, rock, existing utilities or any other unforeseen obstructions are encountered, or if shoring is required the buyer is to pay for, as an extra to the contract price, the additional expense at "Kilian's" market price.